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# Service and quality and quality service: satisfying customers in the hospitality industry

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## Abstract

The purpose of this paper is to identify related literature and cases regarding the management of quality in the hospitality industry. It appears that Parasuraman's gap model between expectations and delivery still appears to be the foundation of quality methodology in this sector. An understanding of the differences in the applied dimensions of quality between goods and services is critical. Quality in the service industry is highly employee centred and quality experienced at the point of consumption. The article concludes with how the popular quality frameworks could be used in the hospitality environment.

**Keywords:** Service quality, quality service, customer loyalty, SERVQUAL, TQM, customer satisfaction.

## Introduction

When it comes to the hospitality industry, a customer's quality perception is highly influenced from outside the hotel with the information feeds such as brochures, billboards and advertisements and recommendations in general. More simple things, such as availability of parking or a friendly service at the reception desk also plays a role. The absence of a car park or bad experience at the reception desk will not secure a satisfactory customer's quality perception.

Generally customers consider if the money they are paying is going to be good value-for-money or not. It is thus imperative that the hotel reception employees must be well- trained and they must conduct their business in a highly professional and efficient manner.

They must also be hyper-polite and accurate regarding administrative matters. Guests do not want to wait for ages to be provided with service. It is vital for employees to be professional all the time (Yasin, 1995). Hence delivering quality in the hospitality industry is a major challenge with increasing customer demands, and in South Africa it is not different.

Customers tend to pre-judge a hotel based on their experiences of how they are treated. To achieve and ultimately deliver quality service is a long and hard process to go through in which all employees, from the upper-echelon strategic managers right down to the operational and functional managers, should be involved.' Focus on quality is the key to business success. In research conducted by Sureshchandar *et al*

(2002) it was demonstrated that there is a two-way relationship between customer satisfaction and service quality provision.

To the average customer, quality is an indispensable and important item, but they also wish to be satisfied. They generally always try to select and buy products and services of high quality. Quality should therefore be a common concern for both guests and service providers in a hotel. In this regard, senior management has a special responsibility in ensuring success in a hotel. They must be observed by all employees as consistently and constantly practicing and preaching a quality message. Quality is generally applied to products and services, but it can also be defined in terms of human quality in dealing with customers. Nield (1999) warns that the hospitality industry has become more competitive than ever before. It is thus incumbent on management to seek ways of not only maintaining a competitive advantage,

but of increasing it. Training and motivation of employees therefore becomes essential considerations. A policy in which quality services and products are sought is non-negotiable. Webster (2000) believes that technology is a key, but the human touch is still vital to successful guest retention. Whilst having great, state-of-the-art computer check-in packages is important, the human touch must not be neglected. Guests do not want to face robotic employees. Gottlieb (2000) takes this further by stating that it is useful to have older employees who are experienced, as they can offer guests greater stability and have greater insights, based on past experiences. Business is all about people, therefore older employees should be treasured as an invaluable asset in a hotel, especially in a front-office position.

The following definitions compiled by Hardie (1998) shows that quality alludes to a range of different definitions, which in a sense, makes implementation difficult.

a)	Quality is about keeping the service promise (Grönroos, 1990).
b)	The degree of quality measures relative attainment of a specification (Sinha and Willborn, 1985).
c)	Quality is the total composite product and service characteristics of marketing, engineering, manufacture and maintenance through which the product in use will meet the expectations of the customer (Feigenbaum, 1983).
d)	Quality is the extent to which the customers or users believe the product or service surpasses their needs and expectations (Gitlow <i>et al</i> , 1983)
e)	Whether or not a product is considered a quality product depends on whether or not it performs the functions for which it was intended (Mizuno, 1988).
f)	A product or service free of deficiencies (Bemowski, 1992).
g)	Quality: How a company's products and services compare to those of competitors or how they compare with those offered in the past (Johnson, 1991).
h)	Quality level: A general indication of the extent of departure from the ideal: usually a numerical value indicating the degree of conformity or the degree of nonconformity (BS4778,1979)

i)	Quality is satisfying or delighting the customer (Spencer, 1994).
j)	Elements of product quality: Reasonable price; durability; safety; ease of use; simplicity of manufacture; easy disposal (Mizuno, 1988).
k)	Service quality: Reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding, knowing the customer, tangibles (Parasuruman, Zeithaml and Berry, 1985).
l)	Quality is whatever the customer says it is, and the quality of a particular product or service is whatever the customer perceives it to be (Buzzel and Gale, 1987).
m)	Quality is the loss a product causes to society after it is shipped (Taguchi, 1986)
n)	Perceived quality refers to an overall measure of goodness or excellence of a brand or store (Olshavsky, 1985).

### The concept of quality in hospitality

North (1998) points out four important characteristics of the concept of quality. He sees it as a dynamic process which is not stable, not unchangeable and not absolute. It is not difficult to recognize these characteristics in the hotel industry. Guests are continuously altering and redefining their requirements, and they demand exceptional service for the money they pay. North furthermore stresses that the social construction and the negotiating processes which promote and sustain the concept are continuous. Quality service in which guests and employees are engaged is subject to all kinds of influences which may lead to either evolutionary or rapid changes in definitions of quality in relation to the product or service. Due to an emphasis on absolute standards of quality, these characteristics may often be ignored. This is probably because guests and employees both have an interest in maintaining some form of stability. However, the relationship between hotel employees and guests is susceptible to modifications, brought about as a result of new technology, new trends, the changing tastes of guests and the way

that companies alter their marketing and behaviour. Generally, the service quality model known as the SERVQUAL model of Parasuraman *et al* (1988) is used to evaluate service quality. The model has four gaps that need so-called closing, namely:

**Gap 1** The expected service by customers differs from the perceptions of the manager as to what the customers expected.

**Gap 2** Customer service standards are not associated with management's specifications and findings of the customer's expectations.

**Gap 3** Service delivery does not meet the set performance standards.

**Gap 4** An organisation's external communication regarding the service quality it provides does not match the actual service performance.

**Gap 5** The customer's perception of the experience in the hotel, as opposed to the customer's expectation of the service.

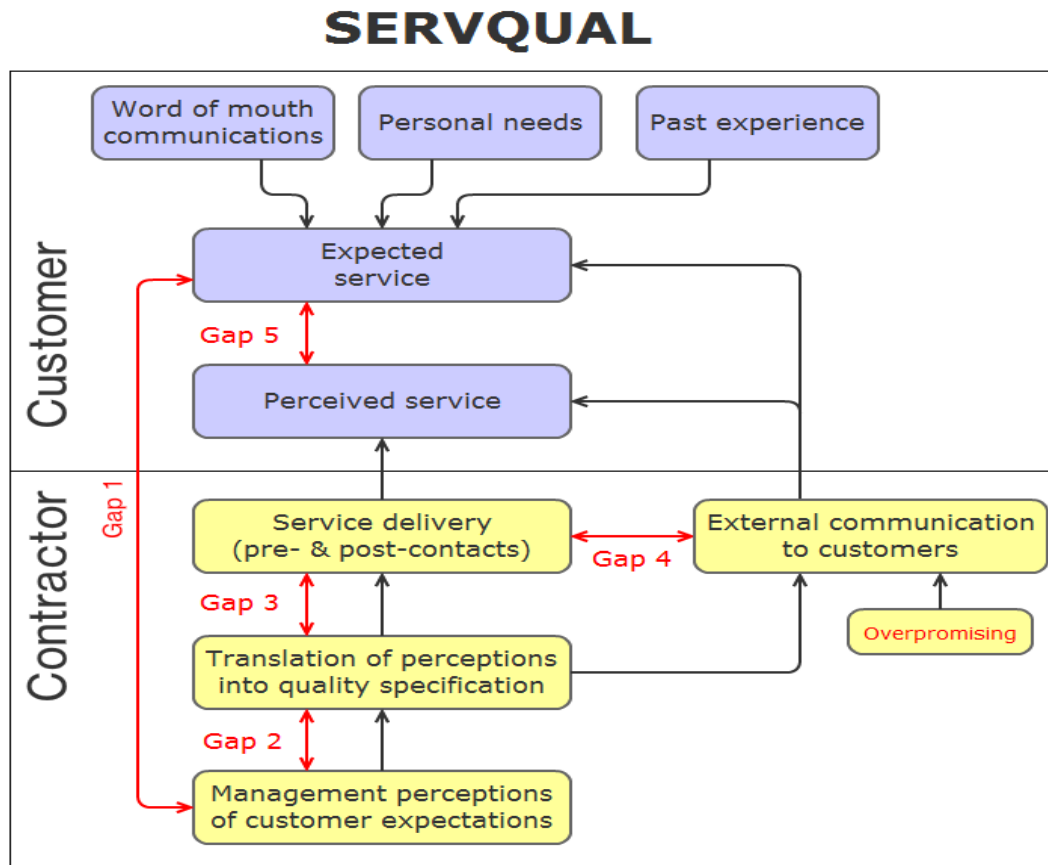


Figure 1. Servqual (Source: [www.comindwork.com](http://www.comindwork.com))

Parasuraman *et al* (1988) also listed the dimensions of quality and these would be as follows for hotels:

□□□ **Assurance** – knowledge and courtesy of all employees and their ability to inspire trust and confidence in hotel guests.

□□□ **Empathy** – consideration, individualised attention the hotel provides to its guests.

□□□ **Reliability** – the ability to perform the promised service dependably and accurately.

□□□ **Responsiveness** – a sincere willingness to assist guests and provide timely service.

□□□ **Tangibles** – The ambience and general appearance of the physical facilities, rooms, restaurants, equipment,

personnel, and communication materials.

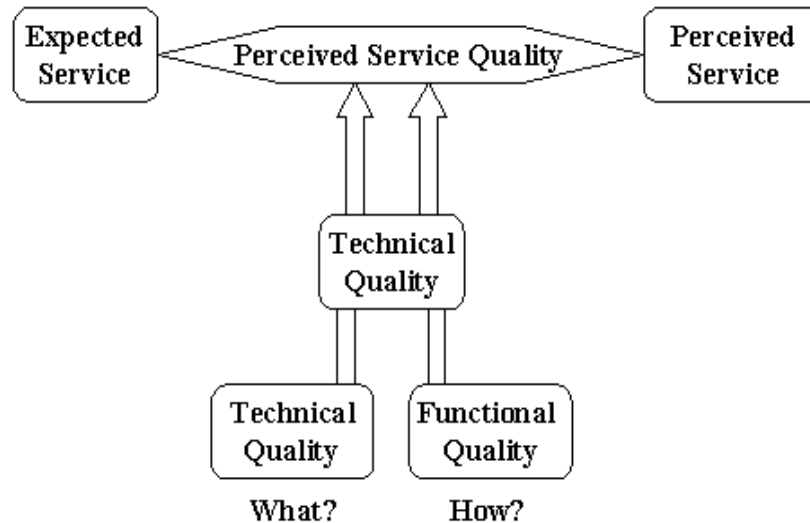
Loyalty of customers is generally measured by using the Gremler and Brown (1996) model. The most suitable instrument to evaluate customer satisfaction is that of Bitner and Hubbert (1994). Each of these has an impact on quality perceptions in tourism and hospitality.

Grönroos (1992) sees service quality as having three dimensions, namely a technical quality, a functional quality and a corporate image or mental picture. Quality is thus a multi-dimensional experience. He suggested that, in the context of services, functional quality is usually supposed to be more important

than the technical quality. This is assuming that service is provided at a technically acceptable level. He also

stresses that the functional quality element can be viewed in a highly subjective manner (Fig. 2).

**Figure 2. Grönroos's Service Quality Model (Source: Grönroos (1984))**



Grönroos's model is critical for sustainable hotel businesses, since it emphasises that service quality needs to interrogate the manner in which it is delivered to guests. Top notch service quality cannot be attained without distinguishing which aspects of quality are important for customers. The service outcome can often be measured by the consumer in an objective manner. For example, the availability of a hotel room, the agreed price to pay and the condition and tidiness of the room and the hotel. The functional quality is concerned with the interaction between the recipient and the provider of a service. In a hotel this element would refer to employee courtesy towards guests, the ambience in the reception area, the amount of employee feedback to a guest, demonstrating that the guest has been understood, and employee conduct in general. The image of the hotel is enhanced by the price he pays for a room, the technical and functional quality of the service, external

communications, the accessibility of the hotel and its location and the general competence of all the employees. Generally however, service quality does not exist beyond a customer's perception.

### **The concept of service quality in hospitality**

Service is an intangible and highly individualised thing. It should however correspond to the guests' expectations and satisfy their needs and requirements and in fact, exceed these, where possible. It is the customer who decides what is good or bad quality, even when he/she is wrong (Edvardsson, 1998). George Nicola (2003) Director of Delfini Greek Restaurant asserts "Customers do not always know when service has been good, but they certainly know when it is bad". Grönroos (1988) maintains that

there is a difference between technical quality and functional quality. He sees technical quality as based on what guests received as a result of interaction with the service provided. Functional quality is defined by him as an evaluation based on how the service is provided to the guest. Quality is a dynamic state associated with products, service, people, processes, and environment that that meets and exceeds expectation. It must fit in with customer perceptions and should be widely applied (right through the hotel or restaurant). There must always be a striving for improvement. Parasuraman (1988) is of the opinion that employees must be reliable. This implies a consistency in performance and dependability. It requires, for example, accuracy in guest billing, accurate record keeping and a timely response to a guest's requests. Employees must also be responsive. They must be willing to provide services, for example, how quickly do they return a phone call or serve a meal to a guest. Employees must be competent and have the skills and know-how to carry out the service. They should be able to use the latest technology effectively and quickly. Employees must be accessible and easy to contact. Their behaviour must be exemplary. In this regard they must be courteous at all times, well groomed, respect the guests and be considerate and friendly at all times. In general, their demeanour must be pleasant. What is critical is that employees inform guests correctly and assure them that they will be looked after well. Employees should also be credible and trustworthy and understand the guest's needs. The employee's ability to adjust service to meet the needs of the guest, is of increasing importance. Katarra, Weheba and El-Said (2008) conclude from their studies that employees in the hospitality industry can be seen as a foundation of competitive advantage, as

employee behaviour has a direct influence on the customer satisfaction. Ghobadian (1994) sees Parasuraman's ideas as providing a very useful framework for addressing very broad organisational quality issues. The identification of a guest's service requirements is the key element to enable one to deliver "top-notch" service.

Different clients have different expectations. For instance, the expectations of the guests in the Hilton Hotel in Durban are different from those of the Oyster Box Hotel in Umhlanga Rocks. Both hotels are top of the range businesses, but they have different styles of service, because the expectations of their guests are different and so are their demands and needs. Commitment towards quality improves the guest's level of satisfaction and increases profits and consequently the benefits gained by the guest and the employee. On the contrary, mistakes in service provision cost the hotel money and its reputation may suffer. This is the "non-quality cost" concept. The scenario created by non-quality service can be daunting for any hotel manager. An unhappy guest does not usually express his/her unhappiness to the management of a hotel, but will on average, inform at least nine other people about poor service experiences. A happy guest will, by contrast, only inform three people about his/her good service experiences in a hotel. Many South African hotel groups, for example the Protea and the Hilton hotels have developed customer loyalty programs as a part of public relations initiatives. The idea is to foster attitudes in customers that make them repeat purchasers of services and products and to engender loyalty. Caruana (2002) states that repeat customer behaviour is an expression of genuine loyalty to a brand and not merely an afterthought. Quality is the

key to competitiveness. Hospitality businesses in the United States of America, such as the Ritz-Carlton, Marriot, Four Seasons and Novotel, have implemented Quality Programmes to deal with ever-increasing guest expectations. These programmes are all based on the basic principles to achieve and deliver quality, which have been outlined by well-known quality gurus such as Deming, Crosby and Juran amongst others.

### **The relevance of the service concept**

Service may and should be defined as every interaction between the hotel guest and the service provider. The International Standard Organisation (ISO) defines service as part of the total production concept. Services are often “invisible” and for this reason it is difficult for a supplier to explain and for a guest to describe. Quality must, however, always be considered from the guests’ perspective, because this forms the perception of quality and ultimately determines whether or not a guest is satisfied beyond expectation. The perception of the outcome judges the service a guest experiences. Hastings (1999) tells us that “the customer will remember the comfort of facilities, but also remember the interaction they have with members of staff”. Service quality manifests as process quality and output quality and Zeithaml *et al.* (1996) developed the fivefold dimension of reliability, responsiveness, assurance, empathy and tangibles as the basis of a tool for measuring levels of service quality, and they termed this the SERVQUAL. To this day it remains the dominant model used to evaluate service quality (Woo and Ennew, 2005).

Service is also very significant for Berenham (1989). He explains that the continuous growth of services is based on four fundamental factors which

influence the process of purchasing: Cultural changes in aspects such as health. Today, many guests are concerned about whether or not hotels have fitness gyms and saunas and suchlike. New markets are thus created by hotels which offer these facilities. Demographic changes also create different markets with different needs. For example, certain South Coast hotels in South Africa’s KwaZulu-Natal Province cater exclusively for “elderly people”. This demands the creation of new services such as special packages for retired people, and at times also requiring nursing care. Changes in lifestyle also represent a sort of revolution in the patterns of work and leisure in its widest sense. This leads to the creation of more services with more specific guest demands to be considered. People now expect more from their accommodation providers when they are on holiday. Many hotels offer different services for different guest needs and the question arises how smaller hotels and guest houses can maximise service quality to determine a competitive marketing advantage for their enterprise. Smaller businesses are particularly vulnerable to larger competitors, unless they are able to exploit their inherent strengths, such as flexibility and speed of response to customer requirements. Authors such as Kuhn (1982) and Sandberg (1986) have shown that differentiation strategies for especially smaller businesses are the keys to their success. Promotion leads to increased demand, but the one way of achieving differentiation, which is also consistent with a small hospitality business’s major strengths, is through enhanced quality service.

### **Differentiation of characteristics of treatment of service and goods**

The special characteristics which differentiate treatment given to service

from the one given to goods include intangibility, perishability, simultaneity and heterogeneity. What exactly do these four terms mean?

- a. Intangibility is always related to services which cannot be evaluated or prejudged before it occurs. The guest in a hotel cannot feel, see, smell (except for wine), touch or hear a product before it is purchased. To evaluate a service, guests trust past experiences. Ghobadian (1994) points out that the consumers often look for signs of quality. These are obtained by word of mouth, reputation and accessibility. Each of these characteristics places far greater responsibility on service industry businesses to deliver what they promise error-free from the outset. What they finally decide is left for after the service has finished (Zeithaml *et al*, 1988). All physical goods are tangible and one can touch them and know what they are made of and what form they have. Zeithaml calls these "search properties". Hotels as service producers need, where possible, to try to get to know the personalities of their guests well, assuming these are regular guests to a hotel, such a salespeople who often use the same hotel, every year or even each month of the year. This will assist employees to cope with any difficult situation which may arise during the delivery of services to these regular guests. Individual customers have individually unique needs and these also change from time-to-time.
- b. Perishability refers to the fact that the goods which facilitate the service can be stored up, but not the service itself. A hotel cannot store up the service of a breakfast not sold or a room that is not occupied. In either

scenario, revenue is lost. The service provider therefore needs to get the service right the first time and at every subsequent occasion. A hotel cannot produce all the services for a guest before he or she requires these services. Service production and service delivery go hand-in-hand.

- c. Simultaneity means that two or more things exist at the same time. For example, in many services the guest is present when the service is rendered, such as the preparation of a cocktail at a hotel poolside bar. Consequently, the customer's judgement about the service quality is influenced by each and every circumstance observed during the process and especially by the delivery of the cocktail by the waiter. Dotchin (1992) states that the participation of the guest in the service process is fundamentally different from material processing operations (MPO) and customer processing operations (CPO). The difference arises because of the extent to which, in the case of CPO, it is necessary to manage intangible elements within the production process itself. The waiter serving the cocktail must first determine the individual customer's expectations and then customise the service he provides on the basis of his diagnosis. The waiter also needs to assess the quality of his performance as it takes place, against the assessment of the guests expectations, while remaining ready to detect and respond to any adverse guest reactions which may occur.
- d. Heterogeneity basically refers to the way in which a perception of quality can vary from one guest to the next, depending on his/her unique



preferences and perceptions. The behaviour of the service provider influences the guest's perception of quality. Also bear in mind that the priority and expectations of the guest may alter, not only during the service deliver, but each time a service is used. In this regard it is also very difficult to reproduce a consistent service exactly the same way. Generally, when service as a whole is of good quality, the majority of the guests will share this perception, although their perceptions may vary slightly. Hotel managers must therefore have well-qualified and trained employees who are able to understand the requirements of a guest and are able to react in an appropriate manner.

#### **Service quality and quality service**

Service quality is generally considered in literature terms in its relevance to larger businesses, which have very strict bureaucratic structures, which very often lead to poor customer communication and which fail to respond effectively to customer needs (Zeithaml *et al*, 1988). Formal customer care policies must be introduced to redress this type of imbalance and to ensure a quality of service which will maintain good customer relationships. Service quality has been especially emphasised for service companies, particularly in the hospitality industry sector (Jones, 1991). He sees it as a way of controlling performance and overcoming all the intangible aspects of service. The association between service performance and service quality has a hugely important role to play in management and marketing for service operations such as hotels

and restaurants (Heskett & Sasser, 2010; Hutchinson *et al*, 2009).

Service quality should also be of prime concern in any business which desires to keep in touch with its customers and which desires to provide a high quality service; otherwise it will risk losing guests to the competition. Clearly, a far greater emphasis has to be placed on customer care and its related elements, including the overall marketing performance (Carson & Gilmore, 1990). Lehtinen and Lehtinen (1982) refer to diverse aspects of service quality, namely: the dimensions of physical quality, interactive quality, and organisational quality. In each of these, customers have a major evaluative role. Although often used as synonymous with the term customer care, service quality is a distinguishable aspect of a more encompassing term. Christopher (1986) defines service quality as referring to the guest/hotel interface and their relationships and focusing on the customer's experience during the transaction process.

Jones (1994) provides four points, which he believes necessary for having service with quality. What is required first and foremost is a market and customer focus. Jones maintains that businesses which do not focus on identifying and responding to customer needs and wants and which fail to exceed customer expectations are more likely to experience service quality problems. Secondly, Jones believes that frontline employees must be empowered. Thirdly, employees must be trained and highly motivated, especially by their managers. Perry (2000), a former director of training for the Hilton

Hotel Group believes that the hospitality industry has much to learn regarding leadership. Fourthly, hotel employees need a clear service quality vision to remain focussed on providing excellent customer experiences. failing which employees will always give customers variable experiences. Lewis (1993) emphasises that it is not only the focus on meeting customer's needs and expectations, but how well the service matches and exceeds the customer's expectations. Berry *et al*, (1988) expresses the opinion that satisfaction for the average guest results from how the expected service compares to his/her perception of the actual service performance. Service quality is therefore clearly and important focus for a marketing strategy. When customers are pleased with the quality services and products they receive and thus feel satisfied and often elated, this experience becomes the source of an organizational competitive advantage in what is often a highly competitive marketplace (Royster, 1997). The loyalty displayed by returning customers is equally considered to be the foundation of a sustainable business (Caruana, 2002) and quality aspects are pivotal to their idea to return to do further business with, for example, a hotel

Cook (2002) quotes Heskett (1994), who asserts that "whilst it is important for an organisation to monitor very closely and conform to the needs and preferences of its customers, it is equally important to implement and build a quality culture that will embrace the organisation and the employees. The responsibility of delivering high quality service lies in the front-line

employees who are the critical link to the customer". In this regard the success, or not, of initiatives to improve a hospitality industry business will, to a great extent, depend on the acceptance by the employees of culture of quality which a business seeks to implement and have pervading its ethos. The impression that guests gain in a hotel will depend especially on their interaction with front-line employees. It is these employees who are responsible for understanding guests' needs and interpreting guests' needs in real time. Most guests desire friendly employees who are courteous and warm and willing to provide quality service at all times. Hotel guests especially care about prompt, quality and very friendly room service.

Employees must be able to listen with empathy to guests and help them to solve a problem or provide alternatives when they cannot give guests exactly what they want. This kind of service differentiates one hotel from its competitors and is necessary to keep on building a good relationship with guests based on good quality and service delivery. Bloemer (1998) presents a model to demonstrate how the mental picture that a customer develops, the service quality, and ultimately customer satisfaction will influence customer loyalty. The research discovered that the mental pictures that customers have of service quality directly and indirectly influence the extent of their loyalty towards an establishment.

Service quality also influences the extent of customer loyalty, both directly and indirectly, through the customer's satisfaction. The perceptions of the market are also

important to customers when considering which hotel or restaurant to conduct business with. Service quality however, undoubtedly plays an important role and affects service loyalty through customer satisfaction.

### **The Small Hospitality Industry Business and Quality**

Storey (1994) emphasises that too often large-firm models for quality, such as SERVQUAL, developed by Zeithaml *et al* in 1988, are taken as given and the small firm is assumed to be a smaller version of a larger business. Clearly this is not the case and each small hospitality industry business, whether a guest house or a motel, is unique and very much reflects the personal characteristics of its owner. Service quality practice in small businesses is different, as indicated by Carson (1985), and it is not appropriate to apply concepts and practices developed in and for large businesses to small businesses. This is especially because of the limited expertise among, for example, guest-house owners of marketing techniques and methods and especially because of their limited resources. In any business scenario, whether small or big, the guest must be given what he wants and his perceptions and expectations should both be satisfied.

### **Some examples of larger Hospitality Industry businesses pursuing quality and the implications thereof**

The Ritz-Carlton Group is a truly remarkable hospitality industry business in the United States of

America, which has operations in five countries. They have been the only hotel business to win the prestigious Malcolm Baldrige Award for Quality in Business. Their “Gold Quality Standards” as explained on their website (<http://corporate.ritzcarlton.com/en/About/GoldStandards.htm>) include their credo/ motto (“ladies and gentlemen serving ladies and gentlemen”), steps to quality service and 20 Ritz-Carlton Basics, which to a very large extent are based on the ideas of Deming. The basics are an integral part of the business’s daily quality improvement communications to all employees. In order to improve its customer satisfaction levels, the group focuses on four key areas which include:

- a. Hiring the ‘right’ employees to start with in terms of quality provision.
- b. Employee orientation for quality.
- c. Training and re-training of employees to reinforce necessary skills to enable effective quality provision and service excellence.
- d. Inculcating of appropriate behaviour.

The latter area is aimed at instilling a sense of responsibility for job performance within every employee. Quality assurance seeks the maximum commitment of every employee to ‘taking care’ of the guest. It also empowers the employee to make decisions for the benefit of the guest. In simple terms each employee understands exactly who his or her customer is. Employees who deal directly with guests know that the guests are their customers. But behind-the-scenes employees also learn that they have customers. For example, the chef works for the waiter, who in turn works

for a restaurant guest. The housekeeping employee who delivers clean linens and guestroom supplies also has customers; the room attendants are his/her customers. Once employees fully understand these worker-customer relationships, they can discuss which is the best way to serve the customer. Whatever quality programme is adopted is a response to the principle and the concept of employee involvement. These are all usually employee-based systems of developing standards and are based on the premise that the person doing the job knows the job best. Employees are brought into the act of developing and writing standards and consequently are committed to living up to the standards. Quality programmes work very well for both small and large hospitality industry businesses, helping new as well as current employees understand exactly what is expected of them. They also teach employees to recognise, identify and solve common problems and frustrations, proactively rather than reactively, if possible.

This all means doing the right things effectively and taking the right measurements to ensure excellence of products and services (Scarnati, 2002). Hotel owners realize that offering their guests "a service quality", is the best way to differentiate their products from those of their competitors. Quality is thus fundamental to market growth and profitability. For example, it can be observed that some hotels in South Africa have upgraded its reservation systems and have implemented express check-in service systems. These hotels believe that it is important to keep improving and maintaining certain aspects of quality, production volume, delivery, performance and productivity, as well as cost. They see quality as a philosophy, an attitude and a way of thinking, which is an integral part of a successful business.

Excellent service depends on hiring the right workforce and training current employees to perform happily and willingly at maximum levels. Guy Hands (2001), the Chief Executive of the Le Meridien Hotel Chain says that the hospitality industry needs to invest in its employees and train them to be superstars. He sees employees as the "best form of marketing". The people that a hotel employs are what the guest remembers. Does the doorman smile? Does the receptionist deal with guests with gratitude or is she cold and robotic and disinterested in the guests?

The managers of three beachfront hotels in Durban (two were from international chains) had interesting comments to make concerning service quality provision. (They requested anonymity):

"Investing in staff is vital from a financial perspective, as the cost of training and retraining and advertising rises with turnover."

"If employees perform well they should be well rewarded. This aspect needs to be focused on far more."

"Employees need new technology and understanding supervisors."

"If managers cannot trust their team, then the guests ultimately lose out."

### **Significance of service quality**

Service quality provision goes through evolutionary stages and in the initial stages of a hospitality business's development it is reactive and instinctive, rather than proactive or planned. It can however be a very strong contributor to price/value perceptions with effective communication playing a crucial role in the overall servicing of the guest.

Customer satisfaction is the key factor in the formation of a customer's wish to return to conduct further business with a service provider (Mittal & Kamakura, 2001). In any event it is likely that especially the highly satisfied customers will talk to family and friends about their good quality experiences at a hotel or restaurant. Therefore, given what we know about marketing for hospitality businesses success, with the emphasis on price and tangible aspects, we might presume that service quality in South African hotels is under-utilised or shall we say minimized by hospitality industry managers and owners. If hospitality employees at whatever level are to provide quality service, they need equal access to appropriate education and training. Where a hotel provides the opportunity for employees to use their discretion and gives them greater responsibility and empowers them in the process, higher quality work and service provision will follow. From a research point of view, a review of the current literature reveals very few articles which deal directly with how service quality relates to small hospitality industry businesses such as guest-houses. One older exception, by Reeves and Hoy (1993), draws attention to the fact that the importance from a marketing perspective is to examine how any small business can gain a quality advantage in order to pursue a policy of differentiation in the marketplace. This advantage can only be realistically achieved by maximizing existing strengths in relation to quality service.

Customer satisfaction basically involves a feeling of well-being and pleasure which results from obtaining what one hopes for and expects from a product or service. When a guest purchases a service or product he/she had a pre-purchase expectation about the performance of the service or item purchased (Pizam, 1999). A guest's

satisfaction, or otherwise, is caused by confirmation or positive disconfirmation of consumer expectations, and dissatisfaction is caused by negative disconfirmation of guest expectations. This feeling can be described as changeable internal standards which are based on numerous factors, such as needs, objectives, moods and past experience in the same hotel, guesthouse or restaurant and comparison with similar establishments. Guests who complain about poor service are on the side of the business because they bother telling you about it (Eccles, 1998). Poor service is very unfortunate because the hospitality market is so large today that guests have a very large choice to decide where to spend their money. Many guests do not complain because they feel that such an action would be a waste of time anyway and they would thus be more annoyed at the outcome of the complaint.

Sometimes restaurant customers complain because they want an apology; sometimes they want another dish, or even a refund. Hotels, guesthouses and restaurants must be aware of their dissatisfied customers and make provision for customers to express their unhappiness on small printed enquiries which may be strategically placed inside the final bill before payment by the guest.

Either way, all businesses need to engage in service recovery if they wish to counter service failure (Grönroos, 1998). All employees must be trained to deal with service failure and should have the power to address service failure immediately. Service must be "very right" the second time (Berry *et al*, 1991).

### **Some Quality frameworks**

The Continuous Quality Improvement (CQI) model (called 'Kaizen' – from 1980s Japan) emanates from total quality management and is described by Imai (1998) as the belief that every human being can add value to improving the workplace where he spends a third of his life. According to Atkinson (1994), there are six main aspects to Continuous Improvement which apply to a hotel industry operation. These include:

1. A commitment by management to collaborate with employees and guests.
2. Educated employees who understand that their attitude can affect the operation's success.
3. Implementation of quality plans so as to have an ethos of quality in the workplace, naturally and continuously.
4. Measurement of employee progress by observation and appropriate benchmarking using standards of superior class hotels.
5. Recognition of employees for work well done in a "thank you" culture.
6. Regeneration of the service plans on an ongoing basis, so as to keep up with competitors and to surpass their standards of service quality provision.

This model is useful for a hospitality management industry operation, provided that it is continually monitored and developed and ongoing assessment takes place. It is able to generate sustained involvement in incremental innovation and works effectively across internal and external divisions. Many managers I spoke to had never heard of it before but agreed that continuous improvement is necessary in a business.

Total Quality Management (TQM), strives for excellence in performance and the development of a sustained strategic competitive advantage (Goetsch and Davis, 2012), and it is commonly assumed to be an integrative philosophy of management which focuses on the continuous improvement in the quality of processes, products and services.

Bergman and Klefsjö (1994) describe TQM as a focus on customers where decisions are based on facts and where service improves continuously and all employees are committed to this. Management is committed to quality and processes are aligned for quality attainment. TQM is accepted globally (Ehigie and McAndrew, 2005) and this is very important for service industries such as hospitality, where guest perceptions of quality are dynamic and thus constantly varying. Quality thus involves a process of continuous feedback and improvement of services, products and processes. Bullivant (1994) explains that TQM is "a commitment to a company-wide culture where everyone is clear of the direction and objectives of the organisation and work in support of each other to achieve these goals" and this is the type of organisation that is desirable.

Total Quality Management (TQM) is a useful practice to adopt in a hospitality industry business which is keen to have a quality culture in place. This is also a Japanese idea of the 1970s. The quality focus is on customer satisfaction. TQM stresses the need for customer orientation and requires discovery and an anticipation of the customer's needs and wants. It is also active in all functions and involves all employees in a business and can even extend beyond the business into external businesses. TQM requires that all managers learn about quality improvement techniques

and standards must be constantly checked to detect any variation in service quality provision. It is in itself a process that is dynamic and in need of constant change. To implement TQM effectively, employees must understand, commit to, organise and measure quality aspects. They must have a policy on quality in place and plan and control quality. Teams must be established to make quality more likely and employees must be trained to provide quality. There are many obstacles to TQM, the main one being a lack of knowledge thereof and information which may be inadequate. Many hotel managers feel that it is ineffective, according to what they have heard from other managers. It appears that some hotel managers are simply resistant to change and lack commitment and awareness as to how it can best aid them to improve their operations and prevent inferior service to their guests. This is unfortunate, since there is a significant relationship between customer satisfaction and loyalty and thus, a hotel's sustainability. The service encounter clearly plays a significant role in customer satisfaction and their loyalty is predominantly founded on quality issues.

There are also international standards of quality that can be used to elevate quality in hotels, such as the International Organisation for Standardisation (ISO) ISO 9000 series. In the ISO 8402 quality is defined as: "...the totality of features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs" (ISO 8402, 1986). It is an operation requirement in certain hotel chains that ISO 9000 certification is attained and that such certificates are displayed for guests to see as they check in to a hotel.

Benchmarking is one way in which a hotel can do an objective self-

assessment of its quality issues as it strives to provide quality service. Many hotels, therefore, tend to do benchmarking to guarantee an improvement in the quality of their offerings. Bullivant (1994) explains that benchmarking is "the continuous process of measuring products, services and practices against leaders, allowing the identification of best practices which will lead to sustained and superior performance". In this process, hotels may seek to make comparisons with their competitors, or even non-competitive organisations conducting similar functions, such as for example guest houses and lodges and even cruise ships. They may also undertake comparisons of similar processes in organisations with totally different functions.

## Conclusions

A hospitality operation should maximise its competitiveness through continual provision of quality services. Quality should therefore be strategically based with a customer focus, an obsession with quality, using a scientific approach to decision-making, be long term, have teamwork, be regarded as a continual process of improvement. It should give employees a measure of freedom, unity of purpose, involvement and empowerment. The purpose of business is to maximise profits (Friedman, 1970) and it is thus crucial to create and retain the right customer. In fact, the importance of customer retention cannot be overstressed. According to one hotel manager in Johannesburg, a 5% repeat business can lead to an additional 25% to 125% profit bottom line. Marketing is a societal process by which individuals and groups obtain their needs and wants through creating, offering and exchanging products (McGivern, 2006) and giving value to others through service.

"Quality is the consistent delivery of superior products and services to provide value for the price and meet guest expectations ...through a spirit of teamwork, caring, giving and attention to detail" (Allin and Gibson, 2000).

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